



Public Order Under City of Los Angeles Emergency Authority

Issue Date: March 17, 2020

Subject: Commercial Leases Affected by COVID-19

On March 15, 2020, I ordered that no landlord shall evict a residential tenant in the City of Los Angeles during the COVID-19 local emergency period if the tenant is able to show an inability to pay rent due to circumstances related to the COVID-19 pandemic.

On March 16, 2020, Governor Newsom issued Executive Order N-28-20, wherein he expressly recognized that “local jurisdictions may . . . determine, based on their particular needs, that promoting stability amongst commercial tenancies is also conducive to public health, such as by allowing commercial establishments to decide whether and how to remain open based on public health concerns rather than economic pressures, or to mitigate the economic impacts of COVID-19.”

In Executive Order N-28-20, the Governor suspended any provision of state law that would preempt or otherwise restrict a local government’s exercise of its police power to impose substantive limitations on residential or commercial evictions when the basis for the eviction is nonpayment of rent or a foreclosure, arising out of a documented substantial decrease in household or business income, or substantial out-of-pocket medical expenses caused by the COVID-19 pandemic, or by any local, state, or federal government response to COVID-19. Moreover, the Governor suspended the statutory cause of action for judicial foreclosure, California Code of Civil Procedure section 725a et seq., the statutory cause of action for unlawful detainer, California Code of Civil Procedure section 1161 et seq., and any other statutory cause of action that could be used to evict or otherwise eject a residential or commercial tenant or occupant of residential real property after foreclosure, as applied to any tenancy, or residential real property and any occupation thereof, to which a local government has imposed such limitation on eviction. Executive Order N-28-20 provides that none of its contents “shall relieve a tenant of the obligation to pay rent, nor restrict a landlord’s ability to recover rent due.” These protections are in effect through May 31, 2020, unless extended.

In Executive Order N-28-20, Governor Newsom also requested that financial institutions holding home or commercial mortgages, including banks, credit unions, government-sponsored enterprises, and institutional investors, implement an immediate moratorium on foreclosure and related evictions when the foreclosure or foreclosure-related evictions arises out of a substantial decrease in household of business income or substantial out-of-pocket medical expenses, which were caused by the COVID-19 pandemic, or by any local, state, or federal government response to COVID-19.

I hereby determine in the City of Los Angeles that promoting stability amongst commercial tenancies is conducive to public health. Accordingly, by virtue of authority vested in me as Mayor of the City of Los Angeles pursuant to the provisions of the Los Angeles Administrative Code, Chapter 3, Section 8.29 to promulgate, issue, and enforce rules, regulations, orders, and directives, I hereby declare the following order to be necessary for the protection of life and property and I hereby order, effective at 11:59 p.m. tonight, until March 31, 2020 at 12:00 p.m., that:

No landlord shall evict a commercial tenant in the City of Los Angeles during this local emergency period if the tenant is able to show an inability to pay rent due to circumstances related to the COVID-19 pandemic. These circumstances include loss of business income due to a COVID-19 related workplace closure, child care expenditures due to school closures, health care expenses related to being ill with COVID-19 or caring for a member of the tenant's household who is ill with COVID-19, or reasonable expenditures that stem from government-ordered emergency measures. Nothing in this subsection shall be construed to mean that the tenant will not still be obligated to pay lawfully charged rent. Tenants will have up to three months following the expiration of the local emergency period to repay any back due rent. Tenants may use the protections afforded in this subsection as an affirmative defense in an unlawful detainer action. This subsection shall remain in effect during the pendency of the local emergency period.

This order may be extended prior to March 31, 2020.